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Executive Registry
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27 SEP 1968

MEMORANDUM FOR: Executive Director-Comptroller
Deputy Director for Support

SUBJECT : The Succession Problem

1. Attached is an outline of a briefing I would propose presenting to a session with the Deputies. There is really nothing new here but it is structured and organized. I see it serving two purposes -- as a stimulus and focus of discussion at a Deputies' meeting, and as an aid, then, to each in formalizing Career Service planning and action.

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2. If you agree that it should be presented as a briefing, I'd like to know in time to have full-sized graphics prepared and to dry run it once for myself.

3. For your information, we have developed an SP model, which, after some possible working over, we intend to apply to this Career Service.

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Robert S. Wattles
Director of Personnel

Att.

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Thirty Minutes Briefing
FACING THE SUCCESSION PROBLEM

I. Outlook

- 1. Present attrition rates above GS-11 restrict opportunity at lower levels.

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| <u>Grade</u> | <u>FY-68</u> |
|-----------------|--------------|
| Agency-wide | [] |
| GS-06 and below | |
| GS-07 thru 11 | |
| GS-12 and 13 | |
| GS-14 and above | |

- 2. Total retirements limited so far, but tempo increasing.
 - a. FY 68 - 250.
 - b. Est. CY 1970 - 326.
 - c. Est. CY 1974 - 468.
- 3. Emergence of succession problem in 1970's.
 - a. Acceleration in personnel losses expected in next decade. (Chart 1)
 - b. Pace relatively heaviest in senior ranks. (Chart 2)
 - c. Losses in senior and back-up groups heaviest in second five-year period. (Mandatory retirements FY 69-73 for GS-12 and above-571; for FY 74 thru 78-956.)
 - d. Those departing from senior ranks will take considerable professional and managerial expertise. (See Chart 3)

II. What is the Agency's Succession Problem?

- 1. What it is not.
 - a. Not a numbers problem in filling higher positions. (Always enough people in a pyramidal organization.)
 - b. Generally, will fill from among best available.
 - c. Generally, will be ample supply of able personnel to choose from (especially in next 5 years).
- 2. What it is.
 - a. Problem is threefold--accelerated pace of personnel flow (outward and upward); resultant loss in professionalism; and variable impact of loss among different Career Services.

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- b. Succession problem is a maintenance problem above entry level, i.e., maintaining fully qualified personnel under conditions of an accelerated personnel flow.
 - (1) Maintaining reserve of fully qualified personnel is a preparedness problem, not just the selection of the most able at vacancy time. (Prolonged retention of a gifted person in the same assignment may preempt his growth from exposure to new experiences.)
 - (2) Rely on initial selection process to attract quality people. Rely upon systematic development to give people experiences needed to take on new key tasks.
 - c. Succession problem is also maintaining proper pace of personnel flow upward.
 - (1) Succession poorly administered if one age group must wait a substantial part of a career span for a more senior age group to leave, without any significant play-through.
 - (2) Succession poorly administered if personnel movement is rapid within a limited period of time without advance preparation of those destined to move upward.
 - (3) Succession is particularly poorly administered if (1) and (2) above occur in sequence.
 - (4) Certain policies emphasizing systematic development of selected personnel to fill future key vacancies and other policies promoting retirement of certain personnel not fully utilizable may be fully compatible if they designed in combination to control personnel flow, whether too swift or too slow.
 - d. Succession problem varies substantially among different areas of the Agency.
 - (1) Some units may be so small or so well-prepared that they do not have a problem (or will not have for several years); others may have immediate problem.
 - (2) The particular kind of succession problem confronting individual units of an organization will vary. (Selection of a head; filling a few key vacancies; limited qualified middle management types available; irregular pace between age levels, et.al.)
3. As overall Agency concern, principal succession problem is maintenance of fully professionalized Service without disruptions during forthcoming period of accelerated losses.
- a. As important to preserve quality in vacated professional positions as to obtain quality at entry level. Director's concern not obtaining sufficient supply of new able people but insuring superior personnel, wherever they sit. Means heading off looming problems.
 - b. Took years to build Agency professionalism, starting in early 1950's.
 - c. In many respects, Agency's staffing and assignment problems unusual.
 - (1) Wide range of occupational specialties (unlike most agencies-- State, Forestry Service, FBI, et.al.).

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- (2) Agency depends upon dual professionalism--diversity of occupational specialties plus intelligence specialty.
Latter internally acquired through developmental process.
 - d. Succession involves continuity in important substantive specialties as well as in managerial or executive positions. Henceforth, "key jobs" pertains to managerial and specialist jobs for which transition should be planned.
 - e. Preserve professionalism at bread and butter (middle management) levels and cultivate individual capacity, and leadership will emerge, with choices.
5. An intensified program to meet effects at all levels of expected future acceleration in key vacancies will take time.
 - a. Although many developmental methods, predominant means are assignments, usually lasting two or more years.
 - b. If get ready for surge in losses expected second five-year period, action must be taken during the first five years to achieve Agency-wide results.
 6. Remaining discussion concentrates on design of a "Succession Development Program" (SDP) that can be keyed to succession problem in 1970's.
 - a. Practical value of a SDP to individual Career Services--problem identification; system design; application of techniques regarding their precise problem.
 - b. Value of a SDP to Agency: knowledge a common system and techniques are being employed, as applicable, equal to the scope of the precise problem within each area.

III. What's New About a SDP?

1. Discussed what the succession problem is; now mention what a SDP is.
2. What is not new?
 - a. Filling key vacancies as they occur.
 - b. Identifying comers for key jobs (often not done).
 - c. Developing certain employees for more responsible assignments.
 - d. Training and assigning some individuals with their future in mind.
3. What is unusual or infrequent in most organizations (combination of following):
 - a. Identifying key jobs apt to become vacant and when.
 - b. Figuring out resultant ripple effects downward and determining what, if anything, should be done. (Significant as phenomenon of mass movement.)
 - c. Deciding what qualifications and experiences should be possessed by anybody picked to fill key jobs expected to become vacant.
 - d. Developing selected employees in terms of what they individually should have to assume key positions, instead of just bringing them along in a general way. (Latter usually results in on-the-spot tagging of successors from among "good people.")

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- e. Taking advantage of daily assignment and developmental opportunities to fill up the vacuum of individual needs, instead of deciding current issues with essentially only immediate considerations in mind.

IV. Thirteen Steps for a SDP In Each Career Service (Chart 6)

(A checklist for each Career Service to review its situation)

1. Announce as Agency objective (by memorandum): Act during next 5 years to insure preservation of continuity of professionalism (managerial and substantive specialties) at all professional levels in 1970's.
2. Explain SDP various echelons.
3. Enlist support from all echelons. (One survey of 82 companies showed this major problem.)
4. Career Service identifies key jobs.
 - a. Ordinarily, key job is one in which incumbent runs significant functional activity (not a process or transaction) or one hard-to-fill without advance preparedness of incumbent.
 - b. Usual level--Branch Chief and Deputy Branch Chief, or equivalents, plus others of particular interest to Career Service.
5. Career Service decides if planned organizational/functional changes within next five years will present problems in filling future key vacancies (new experiences, kinds and number of key jobs, etc.)
6. Office of Personnel provides names of incumbents of key jobs who will and who may retire within 5 or 10 years respectively.
7. Office of Personnel provides names other employees GS-12 and above who will be staying at least 5 and 10 years or more respectively (long-range planning purposes).
8. Career Service determines if special personnel problems from personnel flows precipitated by vacancies in key jobs during next 5 and 10 years (e.g., selection or assignment policies, rate of promotions, characteristics of attrition, occupational mix, probable rate of movement up through junior and intermediate professional levels).
9. Within the context of volume and time sequence of future vacancies in key jobs, Career Service selects enough employees to fill all expected key vacancies in future.
 - a. Consistent with level of any current program of managerial development already functioning.

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- b. In making individual selections, Career Service could decide upon all individuals above certain grade level, with appropriate deletions and additions, or establish roster of individual names.
 - c. Depending upon particular situation, Career Service could groom several candidates for each key job; one candidate for each position; or generally fill-in lacking experiences needed by several candidates against specified qualification norms for occupancy of key positions (model of a Career Service man).
- 10. Career Service decides what individual developmental actions should be taken vs. requirements of key jobs.
 - 11. Office of Personnel, upon request, provides "gap sheets" on individuals identified by Career Service (missing qualifications vs. identified managerial requirements).
 - 12. Career Service makes daily assignments, authorizes developmental training (general or technical) and employs other developmental methods in individual cases.
 - a. This is the crux of the Program--acting over a period of time against targeted individual needs.
 - b. Precise developmental methods used will vary with each individual (i.e., his particular needs).
 - 13. Career Service monitors results and decides each selected individual's capacity for further development.

V. Relating Agency Personnel and Training Policies to a SDP

- 1. Things to consider. (See Chart 7)
 - a. Reorient and expand, as necessary, training and other supportive facilities to carry out individual developmental requirements, identified in functioning of a SDP in Agency.
 - b. Decide how many specialists vs. generalists are needed at entry level. Determine number of Career Trainees needed vs. other professionals.
 - c. Establish system for appraisal of management potential.
 - d. Reduce disproportionate losses of able, young officers.
 - e. Improve channels of promotional and job opportunity, including freeing-up of early retirement where applicable.
 - f. Review related administrative policies and processes affecting operation of a SDP to ensure they are contributing, not counter-productive (performance ratings, general assignment procedures, responsiveness of Mid-Career Program to dimension of future needs; desirability of an expanded executive development program, etc.)
- 2. Will submit in future series of papers on some of these problems, as they pertain to an Agency SDP, e.g., attrition and CT numbers.

VI. Principal Features of a SDP in OP (See Chart 8)

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CHART 6

THIRTEEN STEPS FOR BUILDING A SDP IN EACH CAREER SERVICE

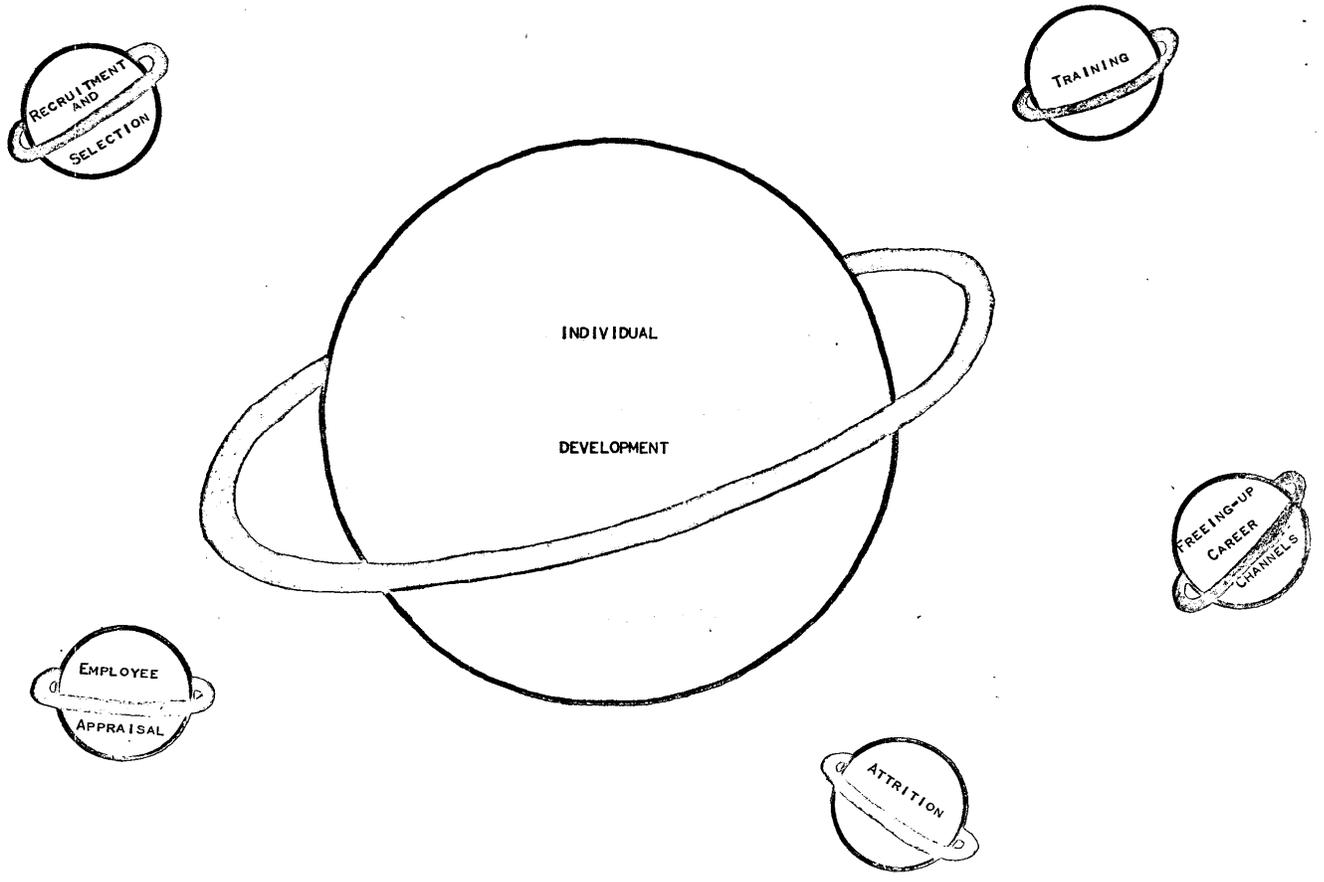
(A Check List for Reviewing Developmental Programs)

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| 13. Career Service checks results. | DEVELOPING INDIVIDUALS TO FILL KEY JOBS |
| 12. Career Service takes individual actions on daily basis. | |
| 11. OP provides qualifications data when requested (biographic, gap sheets, management profiles, etc.). | |
| 10. Career Service decides what each individual needs to fill key jobs (measured vs. requirements of key jobs). | |
| 9. Career Service selects individuals for development vs. prospective assignment to key jobs. | PINPOINTING THE SUCCESSION PROBLEM IN EACH CAREER SERVICE |
| 8. Career Service decides upon any general changes needed because of increased personnel flow upwards. | |
| 7. OP provides names of those staying GS-12 and above (5 & 10 years). | |
| 6. OP provides names of known and possible retirees in key jobs (5 & 10 years). | |
| 5. Career Service decides impact of future changes on key jobs. | |
| 4. Career Service identifies key jobs. | LAUNCHING THE PROGRAM IN THE AGENCY |
| 3. Enlist support of all echelons. | |
| 2. Explain SDP to all echelons. | |
| 1. Establish policies. | |

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CHART 7

RELATING AGENCY PROGRAMS TO A SDP



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